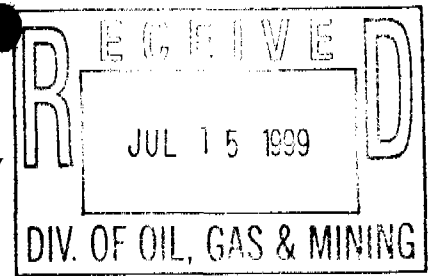


Enron Oil & Gas Company
P.O. Box 250
Big Piney, WY 83113



July 13, 1999

Utah Division of Oil, Gas, & Mining
1594 West North Temple
Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT #594-10F
SE/SE, SEC. 10, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: U-0281
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,

A handwritten signature in dark ink, appearing to read "Ed Trotter". The signature is fluid and cursive, with a large loop at the end.

Ed Trotter
Agent
Enron Oil & Gas Company

Attachments

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

ENRON OIL & GAS COMPANY

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 1815, VERNAL, UT 84078

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

585' FSL & 451' FEL SE/SE
At proposed prod. zone
634, 985E
11-133, 714N

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

17.6 MILES SOUTHEAST OF OURAY, UTAH

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 451'18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4800.4' GRADED GROUND

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24#	200-220'	100-150 SX CLASS "G" + 2%
OR 12 1/4"	9 5/8"	32.30#	200-220'	CaCl ₂ + 1/2 #/SX CELLOFLAKE.
7 7/8"	4 1/2"	10.50#	6150'	50/50 POZMIX + 2% GEL + 10% SALT TO 400' ABOVE ALL ZONES OF INTEREST (+10% EXCESS). LIGHT CEMENT (11PPG+) + LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS (+ 5% EXCESS).

SEE ATTACHMENTS FOR:

8 POINT PLAN
BOP SCHEMATIC
SURFACE USE AND OPERATING PLAN
LOCATION PLAT
LOCATION LAYOUT
TOPOGRAPHIC MAPS "A", "B", AND "C"
GAS SALES PIPELINE--MAP "D"
FACILITY DIAGRAMENRON OIL & GAS COMPANY WILL BE THE
DESIGNATED OPERATOR OF THE SUBJECT
WELL UNDER NATIONWIDE BOND #81307603

pc: UTAH DIVISION OF OIL, GAS, AND MINING

Federal Approval of this
Action is Necessary

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE AGENT

DATE 7-12-1999

(This space for Federal or State office use)

PERMIT NO.

43-047-33355

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

DATE

BRADLEY G. HILL
RECLAMATION SPECIALIST III

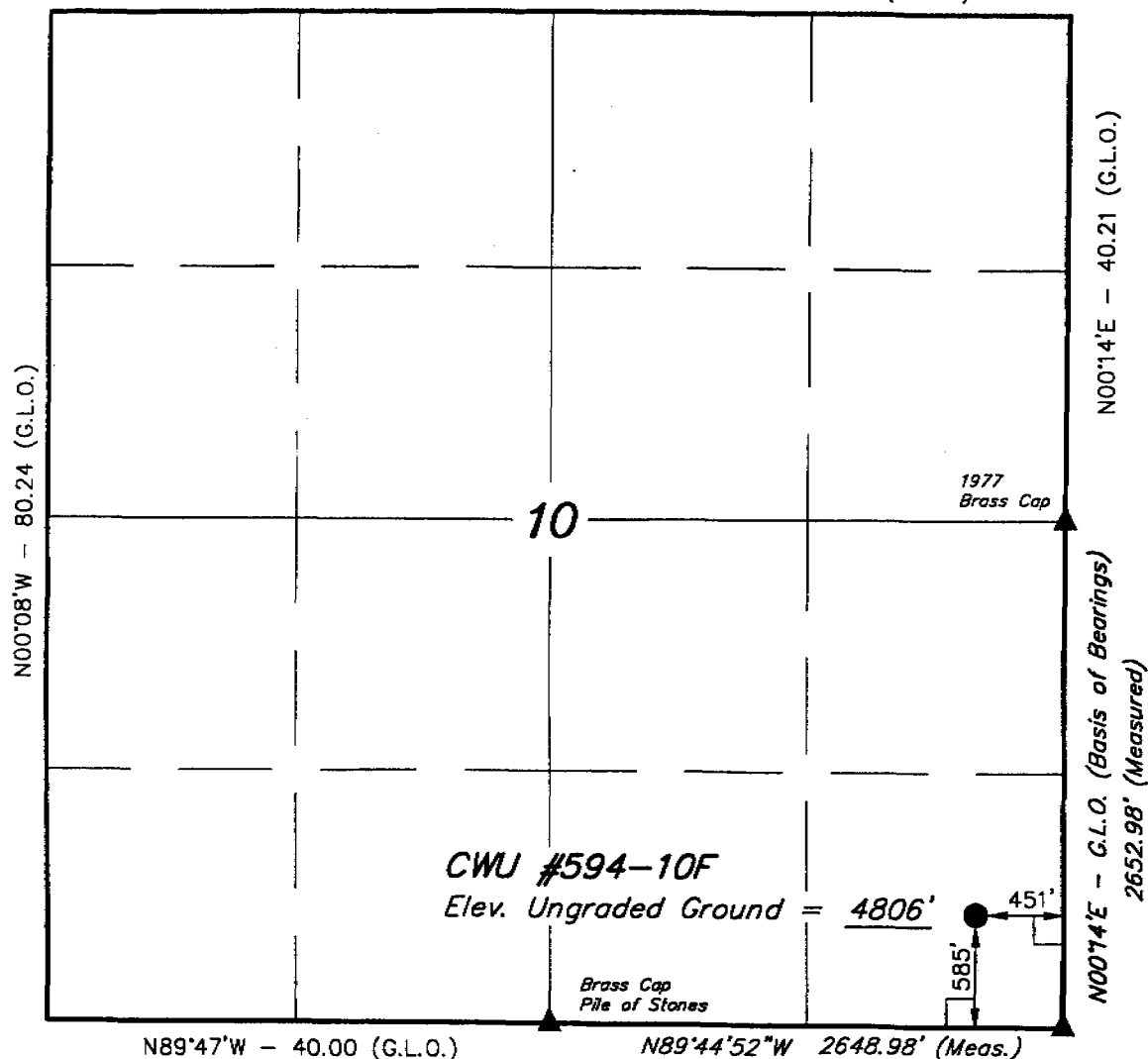
8/20/99

*See Instructions On Reverse Side

T9S, R22E, S.L.B.&M.

S89°53'W - 40.00 (G.L.O.)

N89°45'W - 40.61 (G.L.O.)



LEGEND:

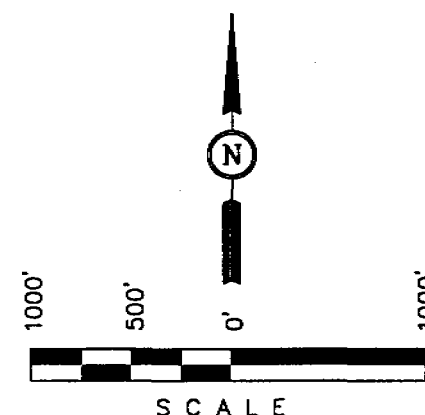
- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

ENRON OIL & GAS CO.

Well location, CWU #594-10F, located as shown in the SE 1/4 SE 1/4 of Section 10, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 10, T9S, R22E, S.L.B.&M. TAKEN FROM THE RED WASH SW QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4849 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY, MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 2-1-99	DATE DRAWN: 2-2-99
PARTY B.B. K.K. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE ENRON OIL & GAS CO.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT #594-10F

SE/SE, SEC. 10, T9S, R22E

UINTAH COUNTY, UTAH

1. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH	TYPE ZONES	MAXIMUM PRESSURE
Green River	1453		
Oil Shale	1453		
"H" Marker	3098		
"J" Marker	3516		
Base "M" Marker	4446		
Wasatch	4880		
Peters Point	4880	GAS	
Chapita Wells	5475	GAS	
Buck Canyon	6120	GAS	

EST. TD 6150'

Anticipated BHP 2700 PSI

2. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.

3. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>MINIMUM SAFETY FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
11	0' - 220'	200' - 220'	8 5/8	24.0 #	J-55	ST&C	1370 PSI	2950 PSI	263,000#
or									
12 1/4	0' - 220'	200' - 220'	9 5/8	32.3 #	H-40	ST&C	1370 PSI	2270 PSI	254,000#
7 7/8	0' - 6150'	6150'	4 1/2	10.5 #	J-55	ST&C	4010 PSI	4790 PSI	146,000#

If conductor drive pipe is used, it will be left in place if its total length is less than 20 feet below the surface. If the total length of the drive pipe is equal to or greater than 20 feet, it will be pulled prior to cementing surface casing, or it will be cemented in place. The minimum diameter of the conductor drive pipe will be 13 3/8".

All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT #594-10F

SE/SE, SEC. 10, T9S, R22E

UINTAH COUNTY, UTAH

5. MUD PROGRAM

INTERVAL

0' - 220'

240' - 4000'

4000' - TD

MUD TYPE

Air

Air/Mist & Aerated Water

Air/3% KCL water or KCL substitute

Lost circulation probable from 1500' to 3000' +/-.

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. VARIANCE REQUESTS:

- A. Enron requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. Enron requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. (Not required on aerated water system).
- C. Enron requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

7. EVALUATION PROGRAM:

Logs: Schlumberger Platform Express

GR

Dipole Sonic-Neutron-GR

T.D. to base of surface casing

T.D. to 4400'

Cores: None Programmed

DST: None Programmed

Completion: To be submitted at a later date.

Note: If hole conditions prevent the running of open hole logs, a cased hole Dipole Sonic/Neutron/Gr will be run in lieu of open hole logs.

EIGHT POINT PLAN

CHAPITA WELLS UNIT #594-10F

SE/SE, SEC. 10, T9S, R22E

UINTAH COUNTY, UTAH

8. ABNORMAL CONDITIONS:

None anticipated.

9. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Clock
- C. Stabbing Valve
- D. Visual Mud Monitoring

10. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

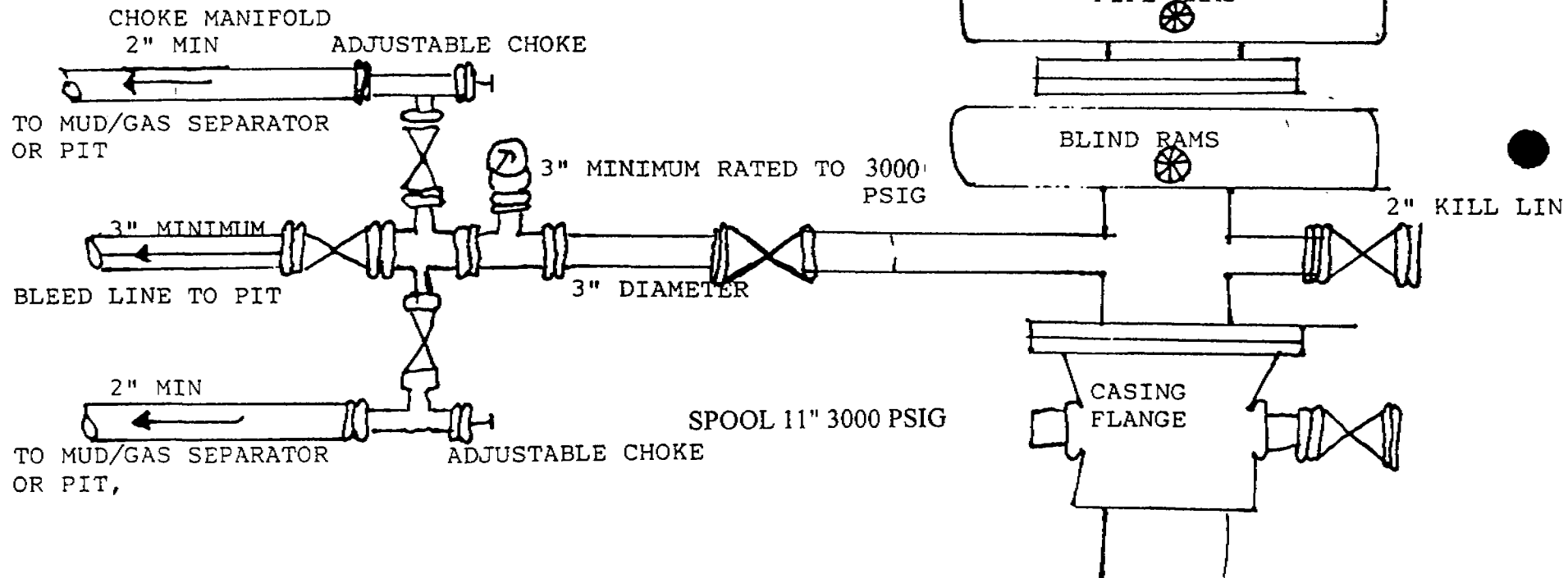
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 RATED.
CASING FLANGE IS 11" 3000 PSIG RATED.
BOPE 11" 3000 PSIG

TESTING PROCEDURE:

1. BOPE 's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig
3. Annular preventor will be tested to 50% of working pressure, 1500 psig
4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications.



**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator: Enron Oil & Gas Company
Well Name & Number: Chapita Wells Unit #594-10F
Lease Number: U-0281
Location: 585' FSL & 451' FEL, SE/SE, Sec. 10, T9S, R22E,
S.L.B.&M., Uintah County, Utah
Surface Ownership: Federal

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction
of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to
spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running
casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running
casing and tests.

First Production
Notice - within five (5) business days after new
well
begins or production resumes after well
has been off production for more than
ninety (90) days.

For more specific details on notification requirements, please check the Conditions of
Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 17.6 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 800 feet in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, Enron Oil & Gas Company shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

- A. Water wells - None
- B. Abandoned wells - 8*
- C. Temporarily abandoned wells - None
- D. Disposal wells - None
- E. Drilling wells - None
- F. Producing wells - 18*
- G. Shut in wells - 2*
- H. Injection wells - None

(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

- 1. Tank batteries - None
- 2. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of well head valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping. See attached facility diagram.
- 3. Oil gathering lines - None
- 4. Gas gathering lines - A 3" gathering line will be buried from dehy to the edge of the location.
- 5. Injection lines - None
- 6. Disposal lines - None
- 7. Surface pits - None

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 3" OD steel above ground natural gas pipeline will be laid approximately 949' from proposed location to a point in the SE/4 of Section 10, T9S, R22E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of-Way grant will not be required.
- 3. Proposed pipeline will be a 3" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the South end of the location.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Brine Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at an approved waste disposal facility.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, together with the required water analysis, will be submitted for the AO's approval.
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore

hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

Burning of trash will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge.

The reserve pit shall be lined.

After first production, produced wastewater will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. ANCILLARY FACILITIES

A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
 - 3 pounds Nuttles Salt Bush per acre
 - 4 pounds 4 Wing Salt Bush per acre
 - 2 pounds Indian Rice Grass per acre
 - 3 pounds Needle and Thread Grass per acre.

The reserve pit will be located on the West side of the location. The flare pit will be located downwind of the prevailing wind direction on the West side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil at Corner "C". The stockpiled location topsoil will be stored on the South end of the location. Upon completion of construction, the stockpiled

topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a cat.

Access to the well pad will be from the North.

N/A Diversion ditch(es) shall be constructed on the _____ side of the location (above/below) the cut slope, draining to the _____.

N/A Soil compacted earthen berm(s) shall be placed on the _____ side(s) of the location between the _____.

N/A The drainage(s) shall be diverted around the sides of the well pad location.

N/A The reserve pit and/or pad locations shall be constructed long and narrow for topographic reasons _____.

X Corners #2 & #6 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to a new road, crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn

contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.
time of abandonment.

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

A. Enron Oil & Gas Company will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of Historic Places;

-the mitigation measures the operator will likely have to undertake before the site can be used.

-a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

Additional Surface Stipulations

- N/A No construction or drilling activities shall be conducted between _____ and _____ because of _____.
- N/A No surface occupancy will be allowed within 1,000 feet of any sage grouse strutting ground.
- N/A No construction or exploration activities are permitted within a 1.5 mile radius of sage grouse strutting grounds from April 1 to June 30.
- N/A There shall be no surface disturbance within 600 feet of live water (includes stock tanks, springs, and guzzlers).
- N/A No cottonwood trees will be removed or damaged.
- N/A Pond will be constructed according to BLM specifications approximately _____ feet _____ of the location, as flagged on the onsite.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

<u>OPERATIONS</u>	<u>PERMITTING</u>
Enron Oil & Gas Company	Enron Oil & Gas Company Ed Trotter
P.O. Box 250	P.O. Box 1815 P.O. Box 1910
Big Piney, WY 83113	Vernal, UT 84078 Vernal, UT 84078
Jim Schaefer	George McBride Telephone: (435)789-4120
Telephone (307)276-3331	Telephone (435)789-0790 Fax: (435)789-1420

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. Enron Oil & Gas Company is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Enron Oil & Gas Company and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

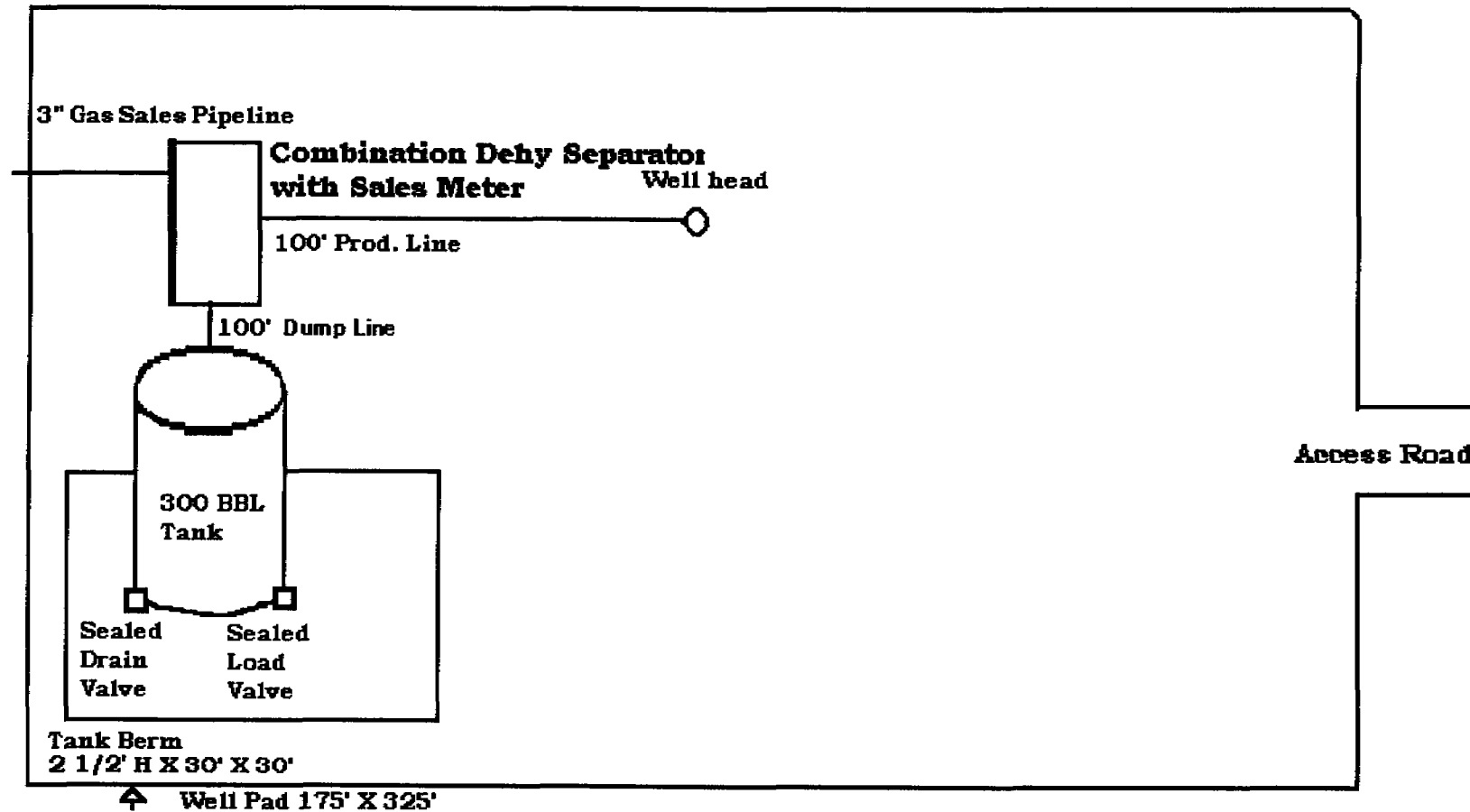
7-12-1999

Date



SITE FACILITY DIAGRAM
CHAPITA WELLS UNIT #594-10F
SEC. 10, T9S, R22E, SE/4SE/4
UINTAH COUNTY, UTAH
FEDERAL LEASE NO. U-0281

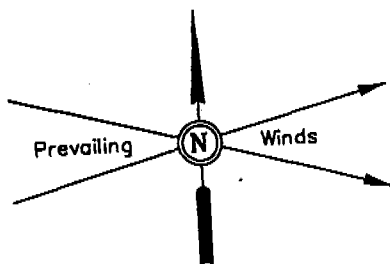
(Site Security Plan is on file at Enron's Vernal Office)



ENRON OIL & GAS CO.

LOCATION LAYOUT FOR

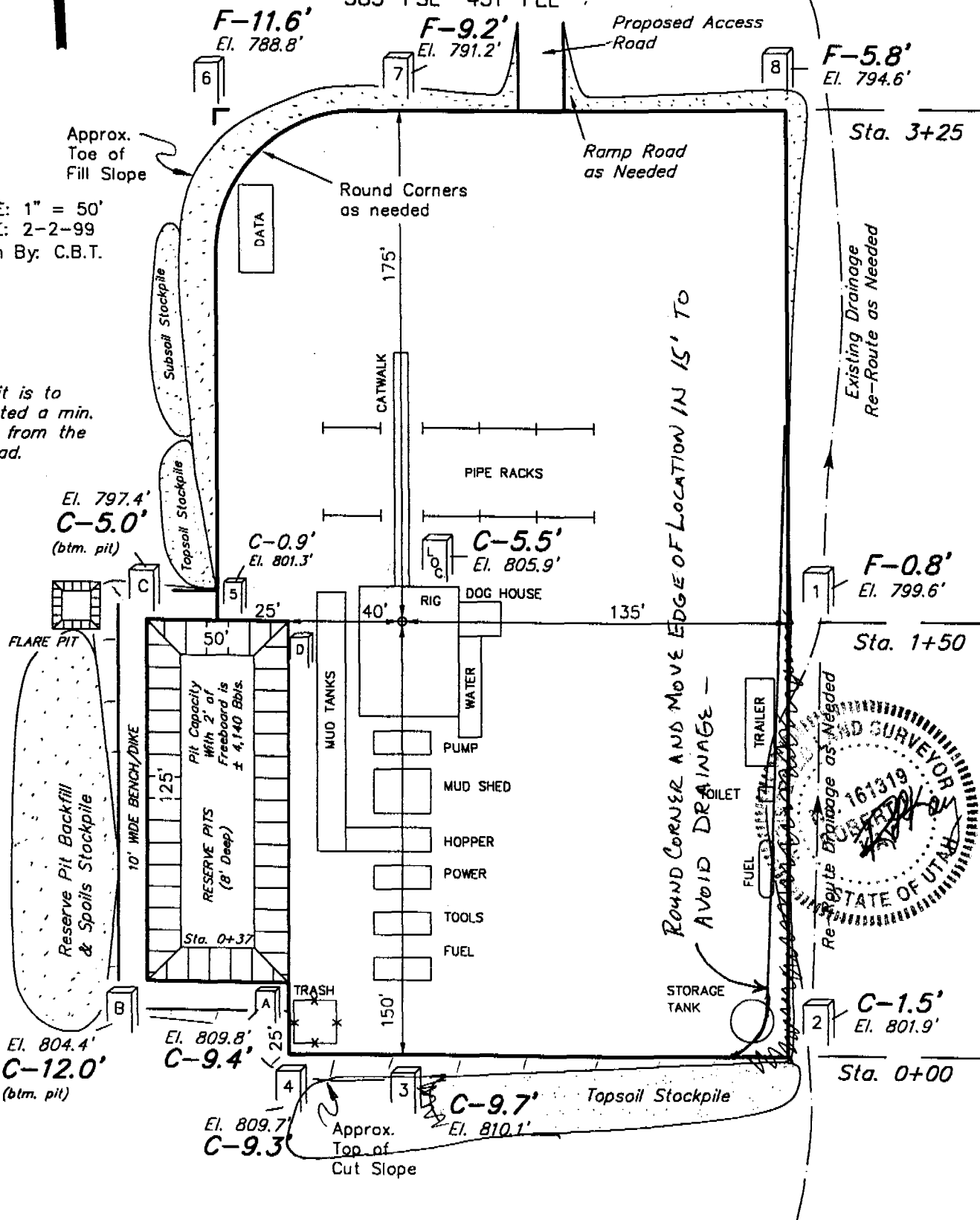
CWU #594-10F
SECTION 10, T9S, R22E, S.L.B.&M.
585' FSL 451' FEL



SCALE: 1" = 50'
DATE: 2-2-99
Drawn By: C.B.T.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



Elev. Ungraded Ground at Location Stake = 4805.9'

Elev. Graded Ground at Location Stake = 4800.4'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

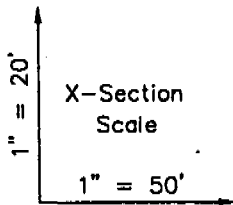
ENRON OIL & GAS CO.

TYPICAL CROSS SECTIONS FOR

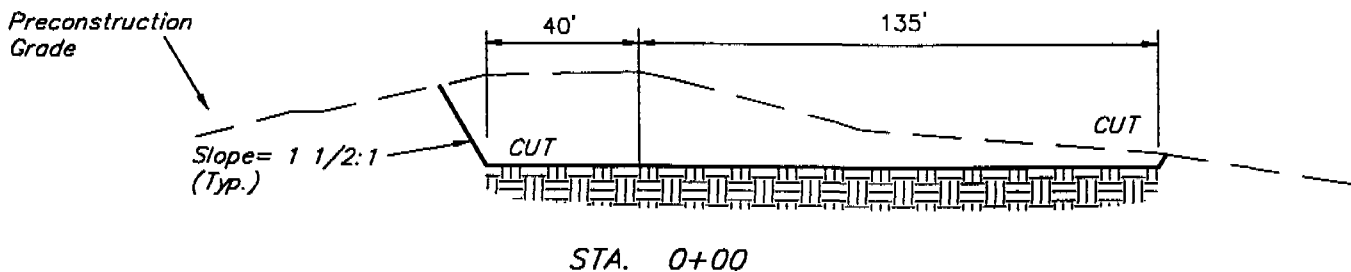
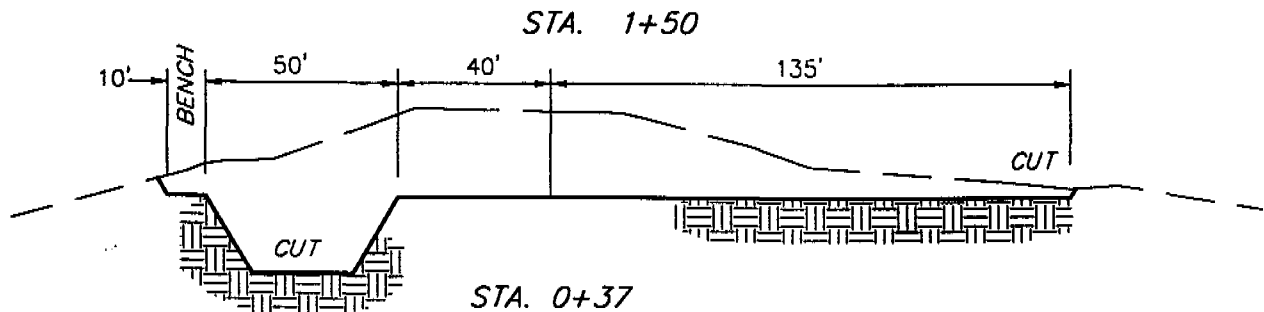
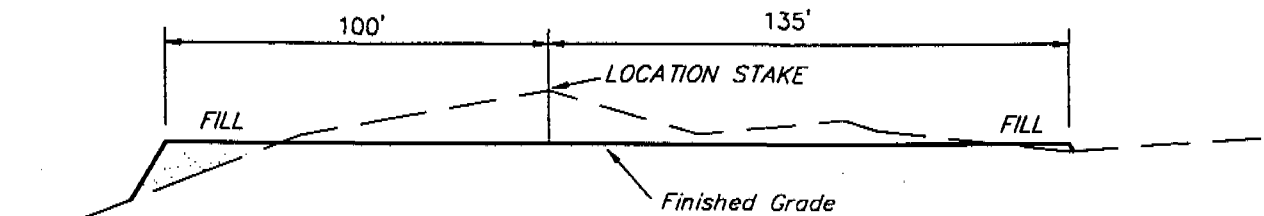
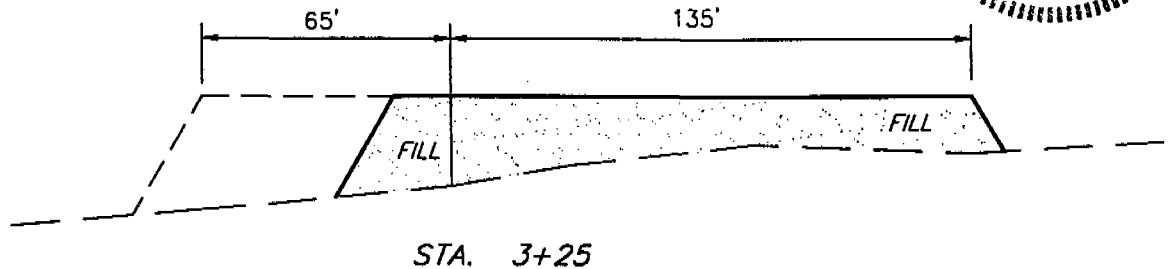
CWU #594-10F

SECTION 10, T9S, R22E, S.L.B.&M.

585' FSL 451' FEL



DATE: 2-2-99
Drawn By: C.B.T.

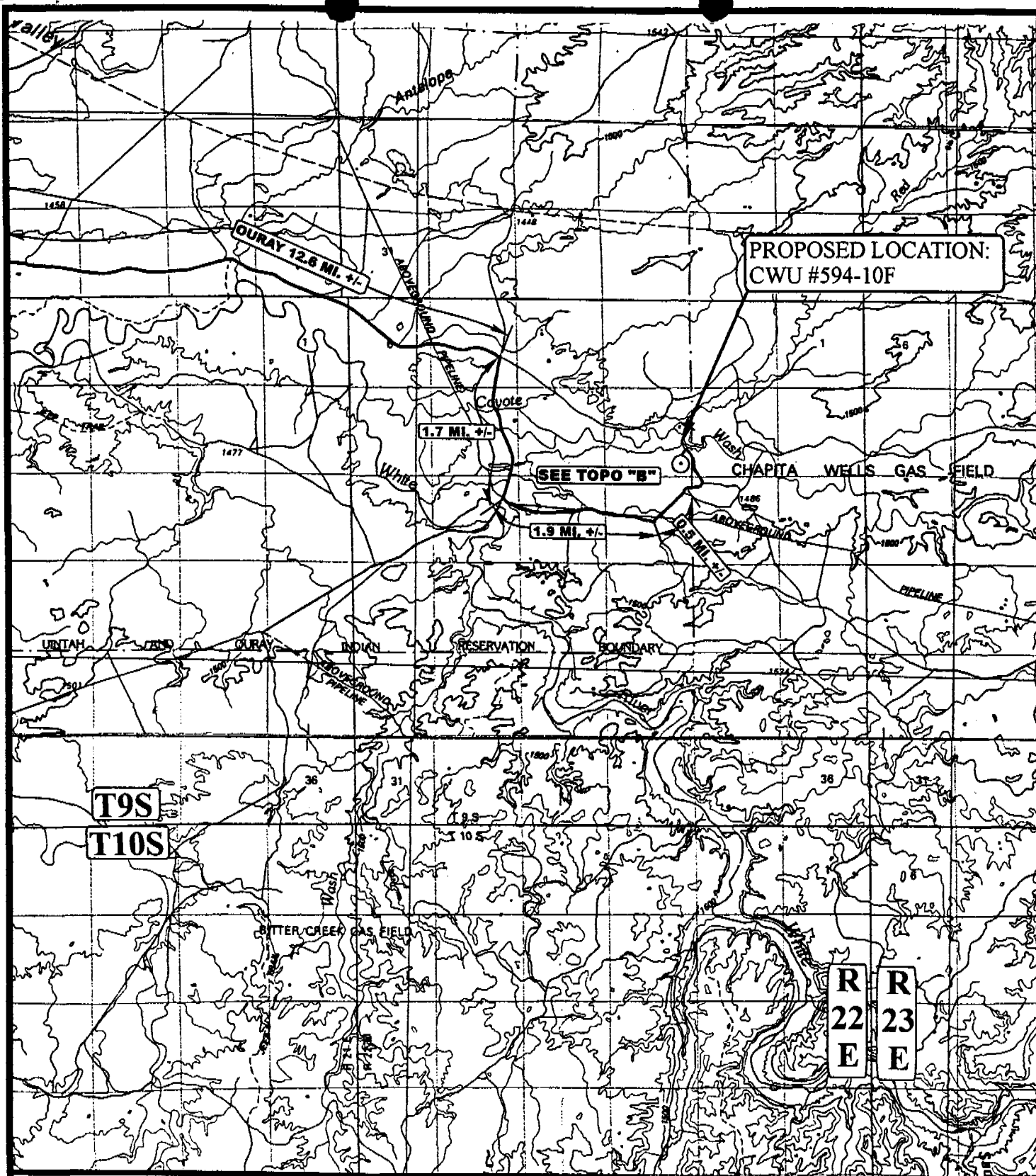


APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,250 Cu. Yds.
Remaining Location	= 6,270 Cu. Yds.
TOTAL CUT	= 7,520 CU.YDS.
FILL	= 5,340 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 1,900 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 1,900 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

○ PROPOSED LOCATION

N

ENRON OIL & GAS CO.

CWU #594-10F

SECTION 10, T9S, R22E, S.L.B.&M.

585' FSL 451' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(801) 789-1017 * FAX (801) 789-1018
Email: uels@easlink.com

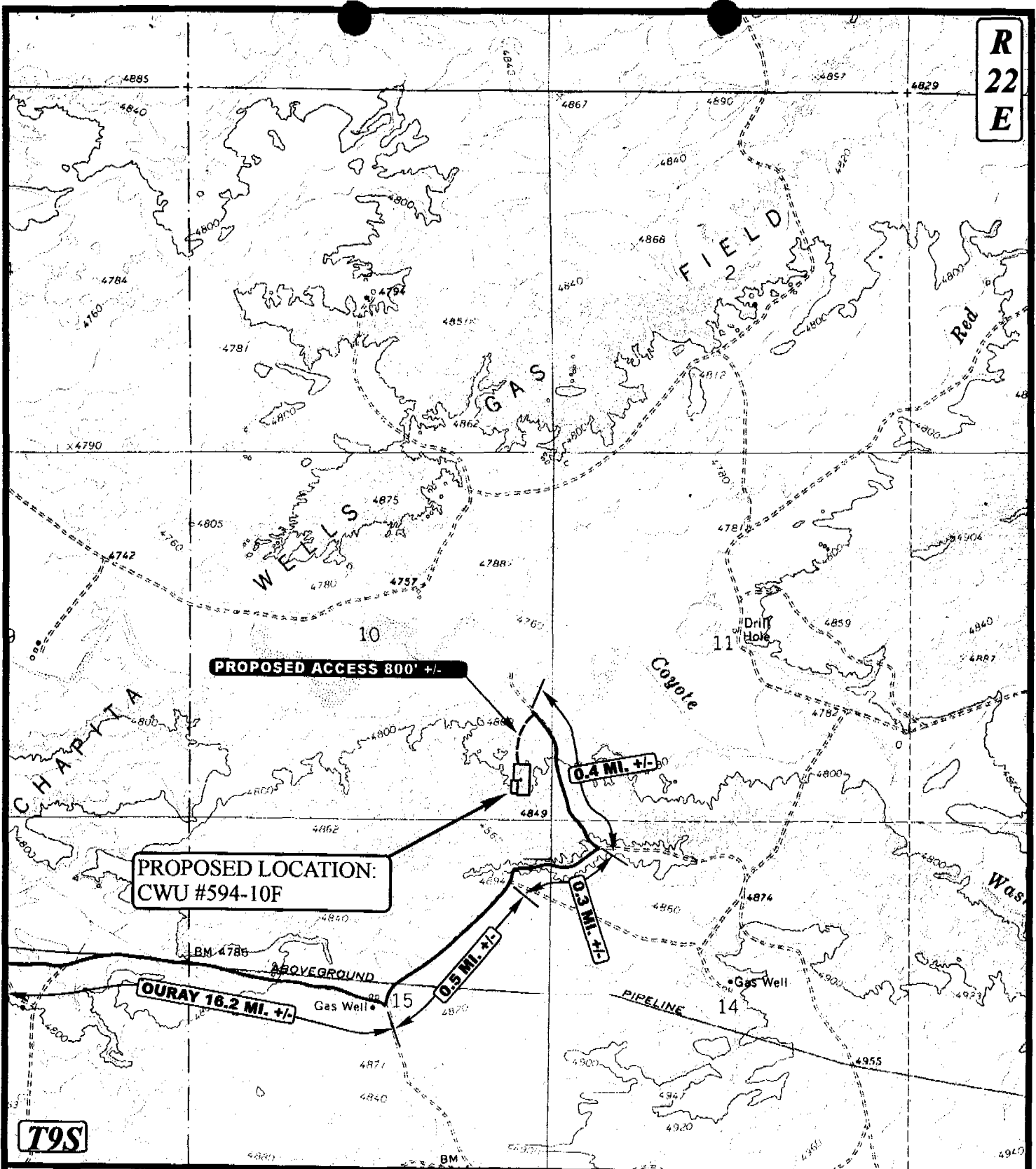
TOPOGRAPHIC
MAP

2 10 99
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.B.T. [REVISED: 00-00-00]

A
TOPO

**R
22
E**



T9S

LEGEND:

--- PROPOSED ACCESS ROAD
 --- EXISTING ROAD

ENRON OIL & GAS CO.

CWU #594-10F
 SECTION 10, T9S, R22E, S.L.B.&M.
 585' FSL 451' FEL



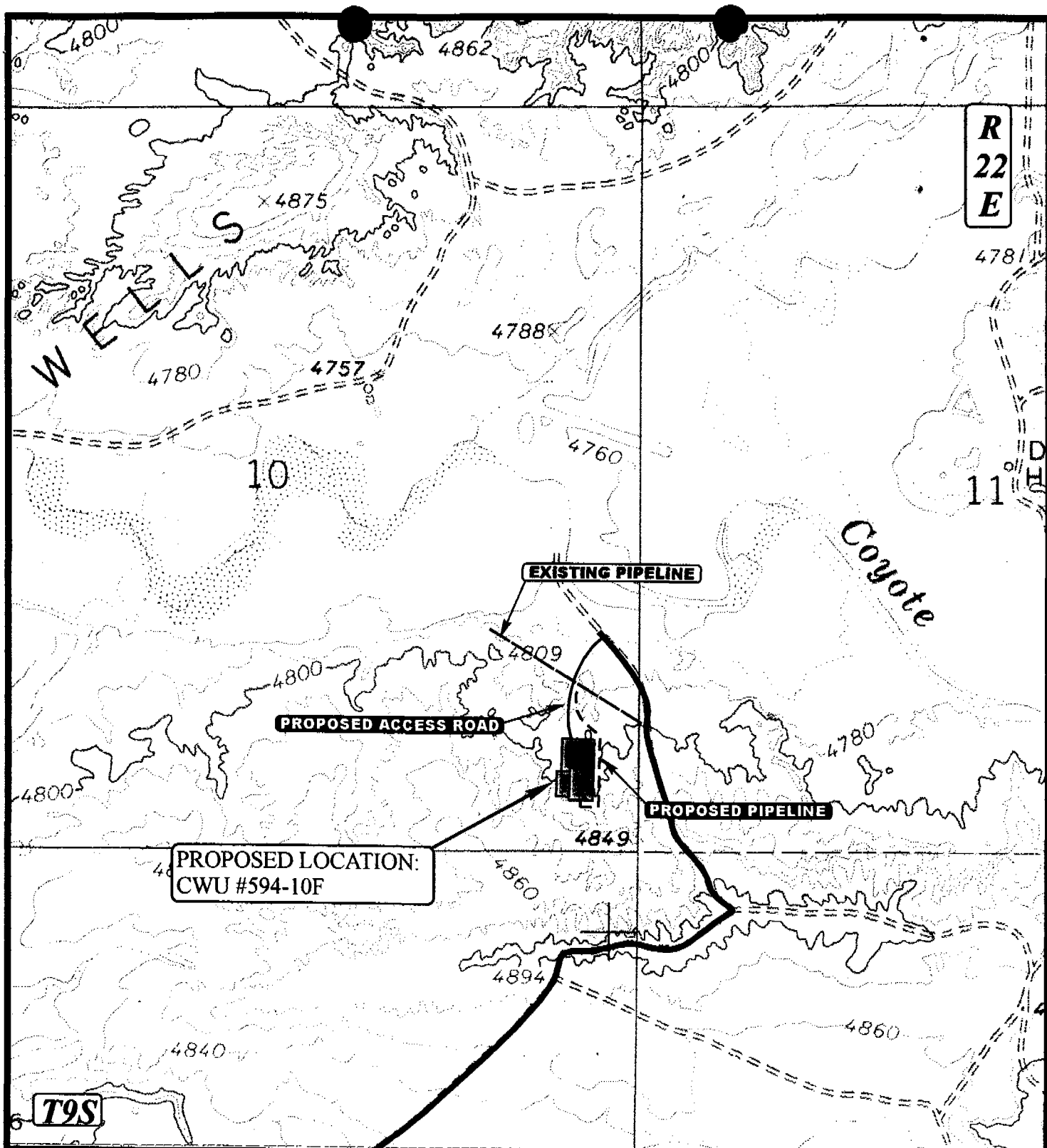
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813
 Email: uels@easilink.com

**TOPOGRAPHIC
 MAP**

2 10 99
 MONTH DAY YEAR

B
 TOPO

SCALE: 1" = 2000' DRAWN BY: C.B.T. REVISED: 00-00-00



APPROXIMATE TOTAL PIPELINE SLOPE DISTANCE = 949' +/-

LEGEND:

- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED ACCESS



ENRON OIL & GAS COMPANY

CWU #594-10F
SECTION 10, T9S, R22E, S.L.B.&M.
585' FSL 451' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

2 **10** **1999**
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.B.T. REVISED: 00-00-00

D
 TOPO

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/15/1999

API NO. ASSIGNED: 43-047-33355

WELL NAME: CWU 594-10F

OPERATOR: ENRON OIL & GAS CO (N0401)

CONTACT: Ed Troller (435) 789-4120

PROPOSED LOCATION:

SESE 10 - T09S - R22E
SURFACE: 0585-FSL-0451-FEL
BOTTOM: 0585-FSL-0451-FEL
UINTAH COUNTY
NATURAL BUTTES FIELD (630)

LEASE TYPE: FED

LEASE NUMBER: U-0281

SURFACE OWNER: Federal

INSPECT LOCATN BY: / /

TECH REVIEW	Initials	Date
Engineering	RFK	8-19-99
Geology		
Surface		

o.i.
Shale
0.1/2.

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

✓ Plat
✓ Bond: Fed M Ind[] Sta[] Fee[]
(No. 81307603)
N Potash (Y/N)
Y Oil Shale (Y/N) *190-5(B)
✓ Water Permit
(No. 49-1501)
N RDCC Review (Y/N)
(Date:)
N/A Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3. Unit Chapite Wells
___ R649-3-2. General
___ R649-3-3. Exception
✓ Drilling Unit
Board Cause No: 179-8
Date: 8-10-99
460' fr. Unit Boundary
___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: (1) In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing in properly cemented over the entire oil shale interval as defined by Rule R649-3-31. For the proposed well this interval is approximately 100' to 150' thick. The Operator shall report the actual depth the oil shale is encountered to the Division.

(2) FEDERAL APPROVAL



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 20, 1999

Enron Oil & Gas Company
P.O. Box 1815
Vernal, Utah 84078

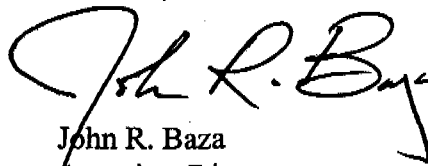
Re: CWU 594-10F Well, 585' FSL, 451' FEL, SE SE, Sec. 10, T. 9 S., R. 22 E., Uintah
County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33355.

Sincerely,



John R. Baza
Associate Director

lwp

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Enron Oil & Gas Company
Well Name & Number: CWU 594-10F
API Number: 43-047-33355
Lease: Federal **Surface Owner:** Federal
Location: SE SE **Sec.** 10 **T.** 9 S. **R.** 22 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well. Contact Carol Daniels at (801)538-5284.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval which must be obtained prior to drilling.

5. In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The operator shall report the actual depth the oil shale is encountered to the Division.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN CASE
(Other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

JUL 10 2000

APPLICATION FOR PERMIT TO DRILL OR DEEPEN OF
OIL, GAS AND MINING

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

SINGLE ZONE ☐

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

ENRON OIL & GAS COMPANY

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 1815, VERNAL, UT 84078

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

585' FSL & 451' FEL SE/SE

At proposed prod. zone

RECEIVED

JUL 14 1999

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

17.6 MILES SOUTHEAST OF OURAY, UTAH

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

451'

16. NO. OF ACRES IN LEASE

2557.84

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

6150'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4800.4' GRADED GROUND

22. APPROX. DATE WORK WILL START*

AUGUST 1999

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24#	200-220'	100-150 SX CLASS "G" + 2% CaCl ₂ + 1/2 #/SX CELLOFLAKE.
OR 12 1/4"	9 5/8"	32.30#	200-220'	50/50 POZMIX + 2% GEL + 10% SALT TO 400' ABOVE ALL ZONE OF INTEREST (+10% EXCESS).
7 7/8"	4 1/2"	10.50#	6150'	LIGHT CEMENT (11PPG+) + LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS (+ 5% EXCESS).

SEE ATTACHMENTS FOR:

8 POINT PLAN
BOP SCHEMATIC
SURFACE USE AND OPERATING PLAN
LOCATION PLAT
LOCATION LAYOUT
TOPOGRAPHIC MAPS "A", "B", AND "C"
GAS SALES PIPELINE--MAP "D"
FACILITY DIAGRAM

CONFIDENTIAL

ENRON OIL & GAS COMPANY WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER NATIONWIDE BOND #81307603

pc: UTAH DIVISION OF OIL, GAS, AND MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

[Signature]

TITLE AGENT

DATE

7-12-1999

(This space for Federal or State office use)

NOTICE OF APPROVAL

Application approval does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject land which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

[Signature]

Assistant Field Manager
Mineral Resources

APPROVED BY

TITLE

DATE

7/17/00

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: EOG Resources Inc.

Well Name & Number: CWU 594-10F

API Number: 43-047-33355

Lease Number: U - 0281

Location: SESE Sec. 10 T.9S R. 22E

Agreement: Chapita Wells Unit

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **3M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.

As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at 715 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (435) 789-7077
Petroleum Engineer

Jerry Kenczka (435) 781-1190
Petroleum Engineer

BLM FAX Machine (435) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

- The road shall be crowned at between 2 to 3 %.
- When plowing snow during the winter months, the snow shall be plowed outside of the borrow ditches to prevent the snow melt from saturating the road during the spring.
- Topsoil will be windrowed along the south end of the location as shown on the cut sheet. **Topsoil is not to be used for dike construction or any other uses over the life of the well.**
- Since Enron is now hauling in all their dike material, it will not be necessary to leave a subsoil pile.
- Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization.

July 17, 2000

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

CONFIDENTIAL

Re: Well No. CWU 594-10F, 585' FSL, 451' FEL, SE SE, Sec. 10, T 9 S, R 22 E.,
Uintah County, Utah. API No. 43-047-33355.

Gentlemen:

EOG Resources, Inc. respectfully requests an extension of the approval granted August 20, 1999 to drill the referenced well.

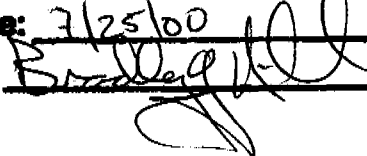
If you have any questions, I may be reached at (435) 789-4120.

Sincerely,


Ed Trotter
Agent

COPY SENT TO OPERATOR
Date: 7-27-2000
Initials: CHD

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 7/25/00
By: 

RECEIVED

JUL 21 2000

DIVISION OF
OIL, GAS AND MINING

DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

SPUDDING INFORMATION

Name of Company: EOG RESOURCES COMPANY

Well Name: CWU 594-10F

Api No. 43-047-33355 LEASE TYPE: FEDERAL

Section 10 Township 09S Range 22E County UINTAH

Drilling Contractor DAL COOK RIG # AIR

SPUDDED:

Date 09/13/2000

Time 3:00 PM

How DRY

Drilling will commence _____

Reported by ED TROTTER

Telephone # 1-435-789-4120

Date 09/14/2000 Signed: CHD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FOR APPROVED
Budget Bureau No. 1004-0135
Expires September 30, 1990

CONFIDENTIAL

SUNDRY NOTICE AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT --" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil WELL ☒ Gas Well ☐ Other

2. Name of Operator

EOG Resources, Inc.

3. Address and Telephone No.

P.O. BOX 250, BIG PINEY, WY 83113 (307) 276-3331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**585' FSL - 451' FEL (SE/SE)
SECTION 10, T9S, R22E**

5. Lease Designation and Serial No.

U 0281

6. If Indian, Allottee or Tribe Name

7. If Unit or C.A., Agreement Designation

CHAPITA WELLS UNIT

8. Well Name and No.

CHAPITA WELLS UNIT 594-10F

9. API Well No.

43-047-33355

10. Field and Pool or Exploratory Area

CHAPITA WELLS/WASATCH

11. County

State

UINTAH,

UTAH

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT
☒ SUBSEQUENT REPORT
☐ FINAL ABANDONMENT NOTICE

☐ ABANDONMENT
☐ RECOMPLETION
☐ PLUGGING BACK
☐ CASING REPAIR
☐ ALTERING CASING
☒ OTHER
☐ CHANGE OF PLANS
☐ NEW CONSTRUCTION
☐ NON-ROUTINE FRACTURING
☐ WATER SHUT-OFF
☐ CONVERSION TO INJECTION

SPUD DATE

(Note: Report results of multiple completion on Well Completions
or Recompletion Report and Log Form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details and give pertinent dates, including estimated date of starting any proposed work if well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work).

EOG Resources, Inc. spud 12-1/4" surface hole at the subject location 9/13/2000. The contractor was Dall Cook's Air Drilling. Ed Forsman of the Vernal BLM District office and Carol Daniels of the Utah Division of Oil, Gas & Mining were notified of spud 9/13/2000.

RECEIVED

NOV 09 2000

**DIVISION OF
OIL, GAS AND MINING**

***NOTE: EOG Resources, Inc. will be using Nationwide Bond #NM 2308**

14. I hereby certify that the foregoing is true and correct

SIGNED

Daty Carlson

TITLE

Regulatory Analyst

DATE

11/02/2000

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

ENTITY ACTION FORM - FORM 6

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SEC.	TP	RG			
B	99999	4905	43-047-33637	CHAPITA WELLS UNIT 597-3F	LOT 1	3	9S	22E	UINTAH	9/21/2000	9-21-00
<div>11-13-00</div> <div>This well was submitted 9/15/2000</div> <div>CONFIDENTIAL</div>											
B	99999	4905	43-047-33630	CHAPITA WELLS UNIT 446-10F	NWNW	10	9S	22E	UINTAH	9/26/2000	9-26-00
<div>11-13-00</div> <div>CONFIDENTIAL</div>											
B	99999	4905	43-047-33686	CHAPITA WELLS UNIT 600-4N	NESW	4	9S	22E	UINTAH	9/29/2000	9-29-00
<div>11-13-00</div> <div>CONFIDENTIAL</div>											
B	99999	4905	43-047-33634	CHAPITA WELLS UNIT 546-2F	SWNW	2	9S	22E	UINTAH	9/06/2000	9-6-00
<div>11-13-00</div> <div>CONFIDENTIAL</div>											
B	99999	4905	43-047-33355	CHAPITA WELLS UNIT 594-10F	SESE	10	9S	22E	UINTAH	9/13/2000	9-13-00
<div>11-13-00</div> <div>CONFIDENTIAL</div>											

ACTIONS CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

Betsy Carlson
Signature
Regulatory Analyst 11/13/2000
Title Date
Phone No. (307) 276-3331

CONFIDENTIAL

UNITED STATES

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐
b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RES. ☐ OTHER ☐
2. NAME OF OPERATOR: EOG Resources, Inc.
3. ADDRESS OF OPERATOR: P.O. BOX 250 BIG PINEY, WYOMING
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):
At surface: 585' FSL - 451' FEL (SE/SE)
At top prod. interval reported below: SAME
At total depth: SAME
15. DATE SPUDDED: 9/13/2000
16. DATE T.D. REACHED: 11/07/2000
17. DATE COMPLETION (Ready to prod.): 11/22/2000
18. ELEVATIONS (DF, R, B, RT, GR, ETC.): 4821' KB
19. ELBV. CASING HEAD: 4800' PREP. GL.
20. TOTAL DEPTH, MD & TVD: 6150'
21. PLUG BACK T.D., MD & TVD: 6121'
22. IF MULTIPLE COMPLETIONS, HOW MANY?: 1
23. ROTARY TOOLS: ROTARY
24. PRODUCING INTERVAL(S) OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD): WASATCH 5945' - 5992'
25. WAS DIRECTIONAL SURVEY MADE?: NO
26. TYPE ELECTRIC AND OTHER LOGS RUN: 11-22-00 Dipole Sonic Imager, Compensated Nuetron, GR and Cement Bond Log, Collar Locator, GR
27. WAS WELL CORED?: NO

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24.0# J-55	237'	12-1/4"	125 sx Class "G" cement.	NONE
4-1/2"	10.5# J-55	6146'	7-7/8"	350 sx Hi-Lift & 400 sx 50/50 Pozmix.	NONE

LINER RECORD					TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	5996'	

31. PERFORATION RECORD (Interval, size and number)
WASATCH C-13 (Cj) 5945-48', 5951-54', 5971-74', 5981-86' w/2 SPF
5990-92'

ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5945-5992'	24,066 gals gelled water & 117,120# 20/40 sand.

33. PRODUCTION
DATE FIRST PRODUCTION: 11/22/2000
PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump): FLOWING
WELL STATUS (Producing or shut-in): PRODUCING
DATE OF TEST: 11/27/2000
HOURS TESTED: 24
CHOKE SIZE: 16/64"
PROD'N FOR: 2 BC
OIL-BBL.: 592 MCFD
GAS-MCF: 5 BW
WATER-BBL.: 5 BW
GAS-OIL RATIO: 5 BW
FLOW. TUBING PRESS.: FTP 500 psig
CASING PRESSURE: CP 540 psig
CALCULATED: 2 BC
OIL-BBL.: 592 MCFD
GAS-MCF: 5 BW
WATER-BBL.: 5 BW
OIL GRAVITY-API (CORR.):
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): SOLD
TEST WITNESSED BY: JAY ORR
35. LIST OF ATTACHMENTS:

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

SIGNED: [Signature] TITLE: Regulatory Analyst DATE: 11/28/2000

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

PRIVACY ACT

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et. seq., 25 U.S.C. et. seq., 43 CFR 3160

PRINCIPLE PURPOSE: The information is to be used to evaluate the actual operations performed in the drilling of an oil or gas well on a Federal or Indian lease.

ROUTINE USES: (1) Evaluate the equipment and procedures used during the drilling of the well. (2) The review of geologic zones and formation encountered during drilling. (3) Analyze future applications to drill in light of data obtained and methods used. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this report and disclosure of the information is mandatory once an oil or gas well is drilled.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501, et. seq.) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling and producing oil and gas on Federal and Indian oil and gas leases.

This information will be used to analyze operations and compare equipment and procedures actually used with the proposals applied for.

Response to this request is mandatory once an oil or gas well is drilled.

SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; core intervals; and all open-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):				38. GEOLOGIC MARKERS		
				TOP		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
				Green River	1910'	
				Base "M" Marker	4520'	
				"N" Limestone	4738'	
				Wasatch		
				Peter's Point	4869'	
				Chapita Wells	5464'	
				C-5 (Ca)	5486'	
				C-7 (B)	5555'	
				C-7 (B)	5564'	
				C-7 (Cc)	5614'	
				C-11 (Cl)	5856'	
				C-13 (Cj)	5942'	
				C-13 (Cj)	5967'	
				Buck Canyon	6165'	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICE AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT --" for such proposals

SUBMIT IN TRIPLICATE

FORM APPROVED

Budget Project No. 1004-0135

Expires September 30, 1990

5. Lease Designation and Serial No.

U 0281

6. If Indian, Allottee or Tribe Name

7. If Unit or C.A., Agreement Designation

CHAPITA WELLS UNIT

8. Well Name and No.

CHAPITA WELLS UNIT 594-10F

9. API Well No.

43-047-33355

10. Field and Pool or Exploratory Area

CHAPITA WELLS/WASATCH

11. County State

UINTAH, UTAH

1. Type of Well

☐ Oil WELL ☒ Gas Well ☐ Other

2. Name of Operator

EOG Resources, Inc.

3. Address and Telephone No.

P.O. BOX 250, BIG PINEY, WY 83113 (307) 276-3331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**585' FSL - 451' FEL (SE/SE)
SECTION 10, T9S, R22E**

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ NOTICE OF INTENT
☐ SUBSEQUENT REPORT
☐ FINAL ABANDONMENT NOTICE

TYPE OF ACTION

☐ ABANDONMENT
☐ RECOMPLETION
☐ PLUGGING BACK
☐ CASING REPAIR
☐ ALTERING CASING
☒ OTHER
☐ CHANGE OF PLANS
☐ NEW CONSTRUCTION
☐ NON-ROUTINE FRACTURING
☐ WATER SHUT-OFF
☐ CONVERSION TO INJECTION
DISPOSAL OF PRODUCED WATER

(Note: Report results of multiple completion on Well Completions
or Recompletion Report and Log Form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details and give pertinent dates, including estimated date of starting any proposed work if well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work).

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations:

1. Natural Buttes Unit 21-20B SWD
2. Ace Disposal
3. EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit)

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DEC 04 2000

DIVISION OF
OIL, GAS AND MINING

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

*NOTE: EOG Resources, Inc. will be using Nationwide Bond #NM 2308

14. I hereby certify that the foregoing is true and correct

SIGNED Katy Carlson TITLE Regulatory Analyst DATE 11/28/2000

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget No. 1004-0135
Expires September 30, 1990

CONFIDENTIAL

SUNDRY NOTICE AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT --" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas
☐ WELL ☒ Well ☐ Other

2. Name of Operator

EOG Resources, Inc.

3. Address and Telephone No.

P.O. BOX 250, BIG PINEY, WY 83113 (307) 276-3331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**585' FSL - 451' FEL (SE/SE)
SECTION 10, T9S, R22E**

5. Lease Designation and Serial No.

U 0281

6. If Indian, Allottee or Tribe Name

7. If Unit or C.A., Agreement Designation

CHAPITA WELLS UNIT

8. Well Name and No.

CHAPITA WELLS UNIT 594-10F

9. API Well No.

43-047-33355

10. Field and Pool or Exploratory Area

CHAPITA WELLS/WASATCH

11. County

State

UINTAH, UTAH

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ NOTICE OF INTENT
☒ SUBSEQUENT REPORT
☐ FINAL ABANDONMENT NOTICE

TYPE OF ACTION

☐ ABANDONMENT
☐ RECOMPLETION
☐ PLUGGING BACK
☐ CASING REPAIR
☐ ALTERING CASING
☒ OTHER
☐ CHANGE OF PLANS
☐ NEW CONSTRUCTION
☐ NON-ROUTINE FRACTURING
☐ WATER SHUT-OFF
☐ CONVERSION TO INJECTION
CONTINUED COMPLETION

(Note: Report results of multiple completion on Well Completions
or Recompletion Report and Log Form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details and give pertinent dates, including estimated date of starting any proposed work if well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work).

EOG Resources, Inc. continued the completion of the subject well as follows:

1. Perforated the C-11 (CI) from 5858-67'.
2. Fracture stimulated w/15,120 gals gelled water & 63,000# 20/40 sand.
3. Perforated the C-7 (Cc) from 5621-24' & 5627-34'.
4. Fracture stimulated w/15,666 gals gelled water & 63,000# 20/40 sand.
5. Perforated the C-7 (Cb) from 5555-57', 5564-72' & 5575-77'.
6. Fracture stimulated w/15,666 gals gelled water & 63,000# 20/40 sand.
7. Perforated the C-5 (Ca) from 5488-92', 5500-04', 5507-11' & 5516-20'.
8. Fracture stimulated w/24,150 gals gelled water & 95,680# 20/40 sand.
9. Returned well to production 12/12/2000.

TEST: 1507 MCFD, 0 BC, 10 BW in 24 hours on a 14/64" choke, FTP 1420 psig, CP 1450 psig.

*NOTE: EOG Resources, Inc. will be using Nationwide Bond #NM 2308

14. I hereby certify that the foregoing is true and correct

SIGNED Katy Carlson TITLE Regulatory Analyst DATE 12/14/2000

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

DEC 18 2000

DIVISION OF
OIL, GAS AND MINING